



2003-522

DENNY CREEK NEIGHBORHOOD ALLIANCE

November 14, 2003

The Honorable Ron Sims
King County Executive
700 5th Avenue, Suite 3200
Seattle, WA 98104

Re: Juanita Woodlands Conservation Purchase

Dear Executive Sims:

I am writing to you to thank you and your excellent staff for all their efforts to purchase a 40-acre parcel of property in the unincorporated Juanita area known as the Juanita Woodlands for long-term conservation purposes. The Juanita Woodlands provides an important open space and natural habitat in this urbanizing portion of King County.

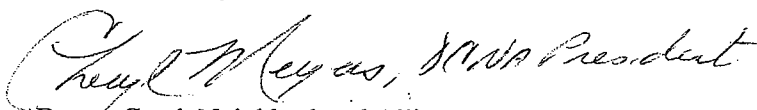
The Denny Creek Neighborhood Alliance (DNCA) is an organization of community members concerned about protecting the Denny Creek watershed and its environs. Our mission is to preserve, protect and restore the natural resources of the area and promote stewardship of wildlife and the environment. The conservation of the Juanita Woodlands has been a cornerstone of our efforts over the past two years, and we are therefore truly grateful to the County for your efforts.

We recognize that purchase of the Juanita Woodlands is a very expensive endeavor for the County in these challenging budget times. That is why, from the initial stages of the County's efforts to acquire the property, DCNA committed to raising \$500,000 of private community dollars to be donated towards the purchase. In reliance on the County's stated intent to maintain the property in its natural condition, we would like to formally advise you in this letter that we fully intend to honor our pledge and look forward to working with the County as we finalize our financial participation.

As a result of our collaborative efforts with King County, we have signed a Letter of Understanding (LOU) that sets forth our pledge and outlines our involvement in the ongoing effort for conservation and stewardship of the property. We understand the County may want to consider developing a small portion of the property in order to provide needed revenues for the purchase. We acknowledge that the LOU outlines the conditions under which we would support this last-resort alternative, provided it does not jeopardize the conservation integrity of the purchase.

Executive Sims, thank you again for your leadership and support of our community. We obviously feel as passionately as you do that protecting this property now will ensure a lasting legacy for many generations to come.

With Warm Regards,


Cheryl Meyers, DNCA President
Denny Creek Neighborhood Alliance

CC: King County Councilmembers



King County



Letter of Understanding

This letter of understanding outlines a proposed process between King County and the Denny Creek Neighborhood Alliance concerning the purchase and stewardship of the 37-acre Juanita Woodlands property in the Juanita community. This letter sets forth the intent of the parties only and does not create any binding obligation on the part of any party.

Whereas, On October 6, 2003 King County executed a purchase and sale agreement with the Washington State Department of Natural Resources (DNR) for the acquisition of a 37-acre parcel of land known as the Juanita Woodlands. The purchase price is \$7 million and the closing date for the transaction is January 5, 2004; and

Whereas, the Juanita Woodlands are located in unincorporated King County and within the city of Kirkland's Potential Annexation Area; and

Whereas, the terms of the purchase and sale agreement allows King County to pay DNR for the property over a 5-year period; and

Whereas, the Denny Creek Neighborhood Alliance has been instrumental in advancing King County's consideration to purchase the property and has raised \$500,000 in community donations and pledges towards the acquisition, provided the site is permanently preserved for natural lands and open space purposes; and

Whereas, the Denny Creek Neighborhood Alliance proposes a payment schedule to King County of \$100,000 at time of close, with the balance to be paid biennially (2006 and 2008) in approximately equal payments, and

Whereas, King County has appropriated \$1 million of conservation future funds for the acquisition and is exploring additional funding sources to complete the transaction. These funding sources include but are not limited to, federal and state dollars, funds from the City of Kirkland, as well as the potential sale of a portion of the property for appropriate development in order to help finance the purchase; and

Whereas, King County recognizes the sensitive nature of a proposal to sell a portion of the property for development and therefore proposes to establish a process by which proposed development on the property would be explored in consultation with the community:

NOW THEREFORE, King County and the Denny Creek Neighborhood Alliance express their intent to follow the following process:

- 1) King County will work with State DNR to complete the acquisition transaction on or before January 5, 2004 as stated in the purchase and sale agreement.

Completion of the acquisition is dependent on authorization of funding from the King County Council and completion of due diligence by King County.

2) Upon closing King County will initiate a process to determine how to pursue a revenue generating development for a small portion (not to exceed 5-acres) of the site, provided:

- A. Development will be pursued as a last resort and only to the extent needed to raise \$1.5 million that cannot otherwise be obtained from sources other than: King County; the contribution by the Denny Creek Neighborhood Alliance described above; and up to \$250,000 that may be contributed by the City of Kirkland. Any additional contributions, grants, and government funding that the DCNA is instrumental in securing can be applied towards the \$1.5 million amount.
- B. The natural resource and open space qualities of the remaining site are maintained.
- C. There shall be minimal impact to adjacent properties.

3) The parties intend that the process for evaluating potential revenue generating development on a portion of the property will be undertaken in the following manner:

- A. An oversight committee consisting of the DCNA (or its designee) and King County will be established. The committee will jointly agree on criteria for potential development and jointly agree on a process for assessing the property. This may include selection of a development consultant to perform the assessment and/or propose potential development options based on the criteria established by the committee. Costs incurred for said consultant will be the responsibility of King County.
- B. The committee will review any proposed development options and decide whether to recommend to the executive and council pursuing one or all of the development scenarios.
- C. If a suitable development scenario is determined, the DCNA (or its designee) may offer to purchase the portion of the property designated for development, as an alternative to the development scenario that has been determined to be suitable.
- D. If DCNA is unable or not interested in purchasing such property, the county will undertake a request for proposal for that portion of the property designated for development. The RFP will be based on the committee recommendation and be developed in collaboration with the oversight committee.
- E. The oversight committee will review submitted proposals and recommend to the executive any proposals that meet the standards established by the committee. If the committee cannot reach

consensus, King County intends to entertain offers to sell a portion of the property in order to raise the additional \$1.5M referenced above. King County's intent is that no more than 5 acres will be sold and that no sales will occur earlier than January 1, 2009.

4) This letter sets forth the intent of the parties only and does not create any binding obligation on the part of any party. Each party's actions provided for herein are conditioned upon the negotiation and execution of a subsequent agreement(s) to carry out the intent of this letter and approval of the governing body of each party as necessary. King County will reference this letter in any future agreements and legal documents between the parties or concerning this property.

DENNY CREEK NEIGHBORHOOD
ALLIANCE

By: Cheryl Meyers

Title: President

Date: 11-18-03

KING COUNTY

By: Bob Brown

Title: Deputy Director, SWRP

Date: 11/18/03